

REPORT TO: Urban Renewal Policy and Performance Board
DATE: 17th June 2009
REPORTING OFFICER: Strategic Director, Health and Community
SUBJECT: Review of Warrington Road Transit Site
WARD(S): Daresbury

1.0 PURPOSE OF REPORT

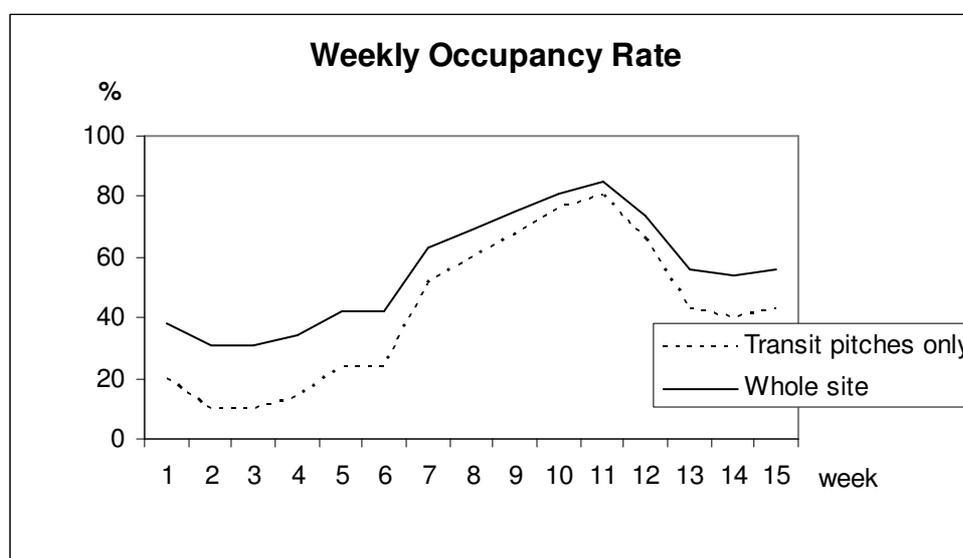
- 1.1 In approving the pitch charges for the new Traveller transit site on the 16th October 2008, the Exec Board Sub resolved that a report be submitted after six months to review income against costs.
- 1.2 In order to consider the effectiveness of the facility and its financial impact in the widest sense, it is appropriate that the report be brought for scrutiny to this Board first, with any recommendations or observations being passed on to the Executive Board Sub.

2.0 RECOMMENDATIONS

- i) **That the Board considers the contents of the report and forwards any recommendations to the Executive Board Sub for consideration.**

3.0 SUPPORTING INFORMATION

- 3.1 The transit site opened on the 10th February 2009. Appendix 1 shows weekly occupancy levels since then (summarised in the chart below), which overall have averaged 56% of capacity, but this figure is rising due to increased occupancy in recent weeks.



- 3.2 Anecdotal evidence suggests that the reasons for the initial low level of occupancy were the fact that the early months of the year in particular are periods of reduced Traveller migration, and word had not spread to Traveller groups of the facility's existence.
- 3.3 Appendix 2 shows the draft budget used for estimating purposes when determining the necessary pitch charge. The second column is an attempt to forecast the full year budget based on known costs, estimates, and income to date, but the figures must still be considered with some caution due to no bills having been received yet for utility costs. True operating costs will not be known until the facility has operated for a year or more.
- 3.4 Estimated pitch fee income has been revised downwards on the basis that 90% occupancy is unlikely to be achieved in the first year due to the low levels achieved so far, with 60% now being the assumption. This revised budget estimate increases the forecast annual deficit from £619 to £9,479, but in establishing the true financial impact of the facility on Council budgets, regard should also be taken of the previous cost to the Council of managing unlawful encampments.
- 3.5 Financial provision for dealing with unlawful encampments has never appeared as an explicit item in Directorate budgets, but in May 2007 an exercise was undertaken to try to quantify the cost for the period 2005/06 and 2006/07. The combined results from the relevant sections in each Directorate were as follows –

Staff time	£94,053
Facilities (bins, toilets etc.)	£13,490
Clear up costs	£42,600
Private Bailiffs	£69,100
Land protection measures	£38,470
TOTAL	£257,713

or £128,856 per year.

This excludes the substantial Police costs involved as well.

- 3.6 Police records show that during 2005, the year before a managed approach was started with Haddocks Wood, there were 83 encampments in Halton. During 2006, 2007 and 2008, the period of the Haddocks Wood managed encampment, there were 66, 21 and 10 encampments respectively.
- 3.7 Although it is early days, since the transit site was established there have been only 2 encampments. This may increase over the summer months as migration increases, but it is interesting to note that most of the Travellers now accessing the transit site pre book by phone, rather than just turning up as an unauthorised encampment.
- 3.8 Of the two encampments referred to in 3.7 above, one group moved to the transit site and the other was moved from the Borough when they declined to move to the transit site following a Police direction under

s62 of the CJPOA Act 1994. They had claimed the charge of £11 per night was too much, a view expressed by most Travellers using the site.

- 3.9 Only 2 complaints have been received about the site, neither of which have been substantiated. This is in part attributable to the Warden who, supported by Council officers, has settled in quickly to his new role and has been instrumental to maintaining an orderly site.
- 3.10 What the last 3 years has clearly demonstrated is that a managed approach and the provision of an authorised stopping place have led to a marked decrease in unlawful encampments and the associated costs. Whilst the transit site is unlikely to achieve a balanced budget this year due to early losses when the site first opened, there is nevertheless a significant saving in costs when compared to expenditure incurred in previous years when an unmanaged approach was followed.
- 3.11 Halton's new approach to managing Traveller issues has been applauded by Traveller organisations, the Police and neighbouring Cheshire Councils, and in practical terms is achieving its objective of reducing unauthorised encampments. The reduction in encampments has also been welcomed by local businesses. It also means that Halton has already met its target for the provision of transit site accommodation proposed in recent draft figures set out under the partial review of the Regional Spatial Strategy.

4.0 POLICY IMPLICATIONS

- 4.1 There are no implications arising from the report itself since it is just an information report, but some may arise following debate of the report, depending on the recommendations to be passed to Executive Board Sub.

5.0 OTHER IMPLICATIONS

- 5.1 Should the Board wish to recommend change to reduce the financial deficit there are three options. The first would be to raise the pitch charge to a level that covers the shortfall, but it should be borne in mind that at £77 per week the charge is already higher than the charge set for Riverview which offers increased facilities and permanent residence, and also higher than many Housing Association rents.
- 5.2 The second would be that the proportion of the site given over to permanent occupation could be increased to minimise the risk of income loss due to under occupation, reserving a smaller number of pitches for transit use. The downside to this approach would be the additional capital cost of increasing facilities to accommodate this, the potential increase in unauthorised encampments that could not be moved quickly using s62 of the CJPOA Act 1994, and a potential increase in associated enforcement/clear up costs.

5.3 The third option would be to actively publicise the site amongst the wider Traveller community to ensure the site is as full as possible at all times, but this would be in contrast to the wider community's expectations.

5.4 Alternatively, given the remaining uncertainty about running costs and occupancy levels, the Board may wish to retain current charge levels and further review costs after a full financial year of operation.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

Offering Travellers a safe place to stay for a reasonable period should improve access to education services.

6.2 Employment, Learning and Skills in Halton

N/A

6.3 A Healthy Halton

Travellers have a reduced life expectancy compared to national rates, and this site will afford Travellers the opportunity to access health and social care services more readily, thereby reducing health inequality.

6.4 A Safer Halton

Roadside encampments are inherently unsafe, and reducing their occurrence through the provision of this site will reduce those risks.

6.5 Halton's Urban Renewal

Proactively managing the problem of unlawful Traveller encampments will lessen the concerns of businesses in the area, particularly those on the industrial estates that historically have seen most encampments, and help to persuade them to remain and develop in Halton

7.0 RISK ANALYSIS

7.1 Not applicable

8.0 EQUALITY AND DIVERSITY ISSUES

8.0 Not applicable.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document

Report to Exec Board
Sub 16/10/08

Place of inspection

Runcorn Town Hall

Contact Officer

S Williams

APPENDIX 1

Week ending and number of days occupied

Pitch	<u>15th Feb</u>	<u>22nd Feb</u>	<u>1st Mar</u>	<u>8th Mar</u>	<u>15th Mar</u>	<u>22nd Mar</u>	<u>29-Mar</u>	<u>05-Apr</u>	<u>12-Apr</u>	<u>19-Apr</u>	<u>26-Apr</u>	<u>03-May</u>	<u>10-May</u>	<u>17-May</u>	<u>24-May</u>		
Warden's Pitch	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
	2	6	7	7	7	7	7	7	7	7	7	7	7	7	7		
	3	6	7	7	7	7	7	7	7	7	7	7	7	7	7		
	4	6	7	7	7	7	7	7	7	7	7	7	7	7	7		
	5	6	7	7	7	7	7	7	7	7	7	7	7	7	7		
	6	0	0	0	3	4	0	7	7	7	6	7	7	1	0	0	
	7	0	0	0	0	3	3	7	7	7	7	7	7	1	0	0	
	8	0	0	0	0	3	7	7	7	7	7	7	7	7	7	7	
	9	0	0	0	0	0	0	7	7	7	7	7	7	7	7	7	
	10	0	0	0	0	0	0	1	7	7	7	7	7	7	7	7	
	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	12	0	0	0	0	0	0	0	0	5	7	7	7	7	7	7	
	13	6	0	0	0	0	0	0	0	0	5	7	0	0	0	1	
	14	6	7	7	7	7	7	7	7	7	7	7	4	0	0	1	
<u>Transit Pitches only</u>																TOTALS	
Possible occupancy days	60	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	1110
Actual occupancy days	12	7	7	10	17	17	36	42	47	53	56	46	30	28	30		473
Percentage occupancy	20%	10%	10%	14%	24%	24%	51%	60%	67%	76%	80%	66%	43%	40%	43%		
Cumulative																	43%
<u>Site Overall (excl. Warden)</u>																	
Possible occupancy days	78	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	1443
Actual occupancy days	30	28	28	31	38	38	57	63	68	74	77	67	51	49	51		806
Percentage occupancy	38%	31%	31%	34%	42%	42%	63%	69%	75%	81%	85%	74%	56%	54%	56%		
Cumulative																	56%
Potential Income	£858	£1,001	£1,001	£1,001	£1,001	£1,001	£1,001	£1,001	£1,001	£1,001	£1,001	£1,001	£1,001	£1,001	£1,001	£1,001	£15,873
Actual Income	£330	£308	£308	£341	£418	£418	£627	£693	£748	£814	£847	£737	£561	£539	£561		£8,866

APPENDIX 2

<u>Expenditure</u>	<u>Original budget estimate*</u>	<u>Revised full year forecast**</u>
Warden (with free pitch)	13,000	13,000
Telephone	250	250
Water	4,266	2,844
Cleaning materials	450	450
Septic Tank Emptying	9,000	6,000
Electricity (individual meters/elec. cards)	7,362	4,908
Landlord elec. supply (lighting/amenity block)	2,000	2,000
Refuse collection	8,000	8,000
Maintenance	5,000	5,000 ***
Annual fire/elec. safety check	500	500
Insurance	500	71
None domestic rates	2,500	2,595
Sink fund for cyclical maintenance.	2,000	0
	<u>54,828</u>	<u>45,618</u>
<u>Income</u>		
Rent (13 pitches X 52 weeks X £77 (£11 per day))	46,847	31,231
Sale of elec. prepayment cards	7,362	4,908
	<u>54,209</u>	<u>36,139</u>
<u>Net Expenditure</u>	<u>619</u>	<u>9,479</u>

* based on 90% occupancy rate

** based on 60% occupancy rate

*** The site is under a 1 year defects liability period under the building contract, therefore actual spend on repairs may be much less than estimated.